



UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

UNITED STATES OF AMERICA,

Petitioner,

v.

CAPITOL TRADE EXCHANGE,

Respondent.

Case No. MS06-5016 FDB

**PROPOSED ORDER TO SHOW
CAUSE RE: PETITION TO
ENFORCE INTERNAL REVENUE
SERVICE SUMMONS**

Upon the petition of the United States and the Declaration of Revenue Agent Paul R. Shipley, including the exhibits attached thereto, it is hereby

ORDERED that respondent Capitol Trade Exchange appear before United States Magistrate Judge Arnold in Courtroom D of the United States District Court located at 1717 Pacific Avenue, Tacoma, Washington, on the 24 day of August, 2006, at 9:00 a.m./~~p.m.~~, to show cause why it should not be compelled to obey the Internal Revenue Service summons served upon it.

It is further ORDERED that:

1. A copy of this Order, together with the petition and declaration with attached exhibits, shall be served upon respondent in accordance with Fed. R. Civ. P. 4, within 21 days of the date that this

U.S. DEPARTMENT OF JUSTICE
Tax Division
P.O. Box 683, Ben Franklin Station
Washington, D.C. 20044-0683
Telephone: (202) 514-9593 1813025.1

1 Order is served upon counsel for the United States or as soon thereafter as possible. Pursuant to Fed. R.
2 Civ. P. 4, the Court hereby appoints Revenue Paul R. Shipley, or his designee, to serve process in this
3 case.

4 2. Proof of any service done pursuant to paragraph 1, above, shall be filed with the Clerk of
5 Court as soon as practicable.

6 3. Since the file in this case reflects a prima facie showing that the examination is being
7 conducted for a legitimate purpose, that the inquiry may be relevant to that purpose, that the information
8 sought is not already within the Commissioner's possession, and that the administrative steps required by
9 the Internal Revenue Code have been followed, *United States v. Powell*, 379 U.S. 48, 57-58 (1964), the
10 burden of coming forward has shifted to respondent to oppose enforcement of the summons.

11 4. If respondent has any defense to present or opposition to the petition, such defense or
12 opposition shall be made in writing and filed with the Clerk of Court and copies served on counsel for the
13 United States in Washington D.C., at least 14 days prior to the date set for the show cause hearing. The
14 United States may file and serve a reply memorandum to any opposition at least 5 court days prior to the
15 date set for the show cause hearing.

16 5. At the show cause hearing, the Court will consider all issues raised by respondent. Only
17 those issues brought into controversy by the responsive pleadings and supported by affidavit will be
18 considered. Any uncontested allegation in the petition will be considered admitted.

19 6. Respondent may notify the Court, in a writing filed with the Clerk and served on counsel
20 for the United States in Washington, D.C., at least 14 days prior to the date set for the show cause hearing,
21 that respondent has no objection to enforcement of the summons. The respondent's appearance at the
22 show cause hearing will then be excused.

23 Respondent is hereby notified that failure to comply with this Order may subject respondent to
24 sanctions for contempt of court.

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28 ~~PROPOSED~~ ORDER TO SHOW CAUSE
(Civ. No. _____)

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1 The Clerk shall forward copies of this Order to counsel for the United States, at the address
2 indicated on its pleadings.

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4 DATED: 7-18-06


UNITED STATES MAGISTRATE JUDGE

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6 Submitted by:

7 JOHN MCKAY
United States Attorney

8 ROBERT BROUILLARD
9 Assistant United States Attorney

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11 s/ Jennifer D. Auchterlonie
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28 ~~WARRANT~~ ORDER TO SHOW CAUSE
(Civ. No. _____)

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